

RESOLUTION OF THE BOSTON REDEVELOPMENT AUTHORITY
RE: ESTABLISHMENT OF FAIR REUSE VALUE FOR
DISPOSITION PARCEL NO. E-9B

IN THE WATERFRONT URBAN RENEWAL AREA

WHEREAS, the governing body of the Authority at a regular meeting on November 14, 1974, adopted a Resolution, entitled "Resolutions of the Boston Redevelopment Authority Relative to Establishment of Fair Reuse Value for Disposition Parcels", and

WHEREAS, the parcel was appraised by at least two independent fee appraisers, was reviewed by staff appraisers and the value recommended by the Land Disposition Officer:

NOW, THEREFORE, BE IT RESOLVED BY THE BOSTON REDEVELOPMENT AUTHORITY:
THAT, the Fair Reuse Value for disposition parcel listed below is hereby established:

<u>Parcel No.</u>	<u>Reuse</u>	<u>Address</u>	<u>Minimum Disposition Price</u>
E-9B	Hotel	North	\$488,000

COMMENTSCERTIFICATE NO. 5ADDRESS: NORTH STREETPROJECT: WATERFRONT MASS. R-77

	<u>Appraiser</u>		<u>Date</u>
First Appraisal	R. Dennis	\$488,000	11/1/79
Second Appraisal	R. Sutte, Ryan-Elliott	\$550,000	9/15/79
Rec. Min. Disp. Price		\$488,000	

The parcel appraised consists of a total of 22,829 square feet of land, of which 19,996 square feet is owned by the Boston Redevelopment Authority.

The parcel is to be improved with a 151-room hotel which will include the rehabilitation of a six-story building at 24 North Street, now owned by the Authority, and included in the 19,996 square feet.

In their reports, the appraisers have considered sales of land in the City of Boston, for hotel use and other commercial uses. They have also given consideration to the Income Approach and have placed more weight on this approach.

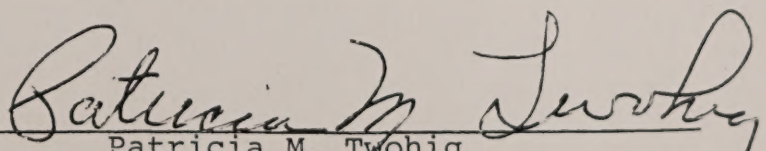
Although details of their income statements differ, the appraisers reach a conclusion of final value for the entire site that is within 6% of each other. Mr. Dennis' value for the entire parcel of 22,829 square feet is \$740,000, equal to \$32.40 a square foot of land, and Mr. Sutte's value is \$700,000, equal to \$30.65 a square foot of land.

Each appraiser then prorated his value to reflect the fact that the Authority owned 19,996 square feet of the total 22,829 square-foot site.

The difference in the final value lies in the adjustments each appraiser made. Mr. Sutte is of the opinion that a 10% factor should be applied because of the restrictions that apply to a parcel in an Urban Renewal Area. Mr. Dennis agrees with this factor, but has deducted an allowance for the cost of a parcel purchased separately by the developer. We believe this is a legitimate allowance.

In addition to a study of the two reports, this reviewer has given consideration to information in Authority files relative to hotels-motels. This information has included numerous newspaper articles on proposed hotel construction in Boston and current releases updating the volume on THE VALUATION OF HOTELS AND MOTELS, by Stephen Rushmore of Helmsley-Spear, Inc.

Therefore, we agree with Mr. Dennis' value of \$488,000, equal to \$24.50 a square foot as the fair value of the disposition parcel.


Patricia M. Twohig
Land Disposition Officer

M E M O R A N D U M

September 25, 1980

TO: BOSTON REDEVELOPMENT AUTHORITY

FROM: ROBERT J. RYAN, DIRECTOR

SUBJECT: WATERFRONT PROJECT MASS. R-77
Establishment of Fair Reuse Value for
Disposition Parcel No. E-9B - Certificate No. 5

It is requested that you approve and certify the fair reuse value for the disposition parcel listed on the attached certificate.

The parcel has been appraised by two qualified, independent fee appraisers. The appraisals have been reviewed by the Land Disposition Officer.

The Land Disposition Officer is of the opinion that the price for this parcel is a reasonable estimate of its fair reuse value.

PARCEL E-9B

LOCATION 24-52 North St.

USE Hotel

AREA 19,996 S.F.
2,833 S.F.

WIDTH

DEPTH

ACCESS

North St.

PARKING

Yes

D U.'s

None

ZONING

B-8

NOTES:

PARCEL BOUNDARIES AND AREAS BASED ON CITY ASSESSOR'S MAPS ARE APPROXIMATE, PENDING FINAL SURVEYS.

FOR DEFINITIONS, STANDARDS & CONTROLS SEE:

WATERFRONT URBAN RENEWAL PLAN
PROJECT NO. MASS. R-77
BOSTON REDEVELOPMENT AUTHORITY



DISPOSITION
PARCELS

DATE:

Waterfront
Urban Renewal Area

